

From: "Draguesku, Colleen" <colleen_draguesku@fws.gov>
To: <mwilson@co.slo.ca.us>
Date: 11/21/2014 10:41 AM
Subject: Comments on the RDEIR for the Phillips 66 Rail Spur Extension Project

Hello Mr. Wilson,

We are preparing comments for the subject Recirculated Draft Environmental Impact Report. While we hope to have comments to the County by the deadline of Monday, November 24, 2014, we would like to request an extension to the review period to finalize our comments. Would the County accept comments from the U.S. Fish and Wildlife Service if submitted by Monday, December 1, 2014?

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Thank you for your consideration,
Colleen

Colleen Draguesku
Fish and Wildlife Biologist
U.S. Fish & Wildlife Service
2493 Portola Road, Suite B
Ventura, California 93003
(805) 644-1766 x221
colleen_draguesku@fws.gov



United States Department of the Interior



FISH AND WILDLIFE SERVICE
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, California 93003

IN REPLY REFER TO:
08EVEN00-2015-CPA-0014

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November 24, 2014

Murry Wilson
Planning and Building Department
County of San Luis Obispo
976 Osos Street
San Luis Obispo, California 93408

PLANNING & BUILDING

Subject: Extension of the Existing Railroad Spur at the Santa Maria Refinery, Phillips 66, Arroyo Grande, San Luis Obispo County, California

Dear Mr. Wilson:

We are responding to your notice, received in our office on October 14, 2014, for our comments on the subject project located at 2555 Willow Road, in the city of Arroyo Grande, California. Phillips 66 (applicant) proposes to modify the existing railroad spur at the Santa Maria Refinery to include an eastward extension, an unloading facility, a new transfer conveyance pipeline, and a restroom. The tracks and unloading facility would be designed to accommodate trains of up to 80 tank cars and associated locomotives in unit train or manifest train configurations. These trains would deliver crude oil to the refinery for processing within the current and allowable throughput limits. The unloaded crude oil would be transferred to the existing storage tanks via a new pipeline that would be constructed along an existing internal refinery road. The new rail spur lines would extend approximately 2,600 yards from the terminus of the current spur. The project will result in the disturbance of approximately 40 acres. We have substantial concerns regarding the impact of the proposed project on the federally endangered Nipomo Mesa lupine (*Lupinus nipomensis*). We understand that the last remaining population of the species occurs on the subject property. We outlined our concerns with the proposed project in a letter dated May 21, 2013. We have enclosed that letter because our concerns described therein remain.

In addition to the comments in our May 21, 2013, letter, we are concerned about a proposed mitigation measure to minimize the impact of the project on Nipomo Mesa lupine. As noted in the Recirculated Draft Environmental Impact Report (RDEIR), the project site has not been extensively surveyed by biologists in many years due to access restrictions. While brief surveys were conducted during project planning, Nipomo Mesa lupine, a member of the legume family, is difficult to detect and has very long-lived seeds that can remain viable underground for many years. The seeds require scouring (e.g., scratching of the surface of the seed) in order for germination to occur. Mitigation Measure BIO-1 states that mitigation for Nipomo Mesa lupine will only occur if the species is detected during pre-construction surveys. We are concerned with this measure because a seed bank undetected by surveys may germinate during construction or other project activities. Mitigation Measure BIO-1 does not include surveys or mitigation for any individuals that germinate as a result of construction and grading activities. We recommend that Mitigation Measure BIO-1 be revised to include surveys for Nipomo Mesa lupine by qualified biologists before and after construction activities, including any stockpiles of fill removed from the site. Surveys for 2 years following construction may be warranted to ensure the detection of

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individuals as seasonal rainfall patterns may affect (e.g., delay) the germination of seeds. If individuals are discovered after construction activities, they should be included in mitigation efforts.

It should also be noted that despite the assertion in Mitigation Measure BIO-1 that Nipomo Mesa lupine will be restored at a 3 to 1 ratio of restored individuals to impacted individuals, we are unaware of any entity that has ever attempted to restore a population of this species. The U.S. Fish and Wildlife Service and its partners are currently researching restoration methodologies for this species, but a successful restoration effort has not yet been achieved. A higher mitigation ratio may be warranted for this project due to the high risk of failure in restoring a Nipomo Mesa lupine population.

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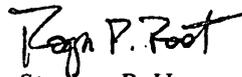
The RDEIR also includes the construction of the Vertical Coastal Access Road, from Highway 1 west through the Phillips 66 property. This project element is the result of permitting negotiations with the County of San Luis Obispo on the Phillips 66 Throughput Increase Project. According to Chapter 9 of the RDEIR, the Vertical Coastal Access Road has the potential to impact the federally endangered Nipomo Mesa lupine, La Graciosa thistle (*Cirsium loncholepis*), and marsh sandwort (*Arenaria paludicola*). Mitigation measures have been developed to minimize the impacts of the project on Nipomo Mesa lupine; however, mitigation measures have not been proposed for La Graciosa thistle or marsh sandwort. We recommend that additional measures be developed to minimize the impacts of the project on all federally-listed species that may occur onsite. Finally, because the mitigation measures proposed for Nipomo Mesa lupine during the Vertical Coastal Access Road Project are the same as the measures proposed during the Rail Spur Extension Project, we also recommend revisions to mitigation measures in the Vertical Coastal Access Road Project as described in the above paragraphs.

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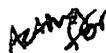
In summary, we remain concerned about the potential impacts of the proposed Rail Spur Extension Project and the Vertical Coastal Access Road Project on federally-listed species. Because the last remaining population of the Nipomo Mesa lupine occurs on the subject property, we are concerned the proposed projects could have substantial implications for the survival and recovery of the species. In addition, we recommend that you contact the California Department of Fish and Wildlife because Nipomo Mesa lupine is also listed by the State of California as endangered.

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Sincerely,



Stephen P. Henry
Field Supervisor



Enclosure

cc:

Brandon Sanderson, California Department of Fish and Wildlife
Ellen Carroll, County of San Luis Obispo



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, California 93003



IN REPLY REFER TO:
08EVEN00-2013-CPA-0116

May 21, 2013

Murry Wilson
Planning and Building Department
County of San Luis Obispo
976 Osos Street
San Luis Obispo, CA 93408

Subject: Modification of Existing Railroad Spur at the Santa Maria Refinery, Phillips 66, Arroyo Grande, San Luis Obispo County, California (DRC2012-00095)

Dear Mr. Wilson:

We are responding to your request, received via email on May 7, 2013, for our comments on the subject project located at 2555 Willow Road, in the city of Arroyo Grande, California. Phillips 66 (applicant) proposes to modify the existing railroad spur at the Santa Maria Refinery to include an eastward extension, an unloading facility, a new transfer conveyance pipeline, and a restroom. The tracks and unloading facility would be designed to accommodate trains of up to 80 tank cars and associated locomotives in unit train or manifest train configurations. These trains would deliver crude oil to the refinery for processing within the current and allowable throughput limits. The unloaded crude oil would be transferred to the existing storage tanks via a new pipeline that would be constructed along an existing internal refinery road. The new rail spur lines would extend approximately 2,600 yards from the terminus of the current spur. The project will result in the disturbance of approximately 40 acres. We have substantial concerns regarding the impact of the proposed project on the federally-endangered Nipomo Mesa lupine (*Lupinus nipomensis*). We understand that the last remaining population of the species occurs on the subject property.

Surveys have not been conducted for Nipomo Mesa lupine; therefore, we are unable to properly evaluate the effects of the project. The significance of the project on Nipomo Mesa lupine cannot be determined without knowing whether the species occurs onsite. However, the application prematurely states that the project will have a less than significant impact on federally-listed species with mitigation measures incorporated. Furthermore, the application does not include any measures to avoid impacts to the species, should it occur onsite.

The region had a poor rainfall year and the species may currently persist only as a seed bank without producing above ground individuals. We recommend that a reference occurrence be visited prior to surveying the project site to determine if, and to what extent, the species is expressing itself with above ground individuals this year.

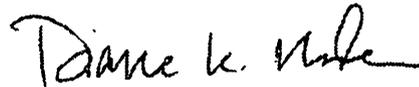
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Nipomo Mesa lupine, a member of the legume family, is difficult to detect and has very long-lived seeds that can remain viable underground for many years. The seeds require scouring (e.g., scratching of the surface of the seed) in order for germination to occur. It is possible that a seed bank undetected by surveys will germinate during construction and grading activities associated with the proposed project.

In summary, we find the documents submitted to be lacking essential survey information for the presence of the federally-endangered Nipomo Mesa lupine. Surveys are needed to accurately evaluate and characterize the impacts the project, as proposed, would have on the species. Protective measures should be developed to avoid all project-related impacts to Nipomo Mesa lupine. We are willing and available to work with you to achieve this goal. In addition, we recommend that you contact the California Department of Fish and Wildlife because Nipomo Mesa lupine is also listed by the State of California as endangered.

Sincerely,



Diane Noda
Field Supervisor

cc:

Brandon Sanderson, California Department of Fish and Wildlife
Kami Griffin, County of San Luis Obispo